



STATE OF WASHINGTON
DEPARTMENT OF ECOLOGY

15 W Yakima Ave, Ste 200 • Yakima, WA 98902-3452 • (509) 575-2490

November 9, 2011

American Forest Holdings, LLC
Attn: David Bowen
700 East Mountain View Ave, Suite 507
Ellensburg, WA 98926-4802

RE: Trust Water Right Nos. CS4-02206sb3c@1, CS4-02206sb3d@3, CS4-02206sb3e@1,
CS4-02206sb3h@1 and CS4-02206sb3i@1

Dear Mr. Bowen:

The purpose of this letter is to acknowledge the Department of Ecology's acceptance of your leased trust water right to the Washington State Trust Water Right Program. The trust water right applications were accepted on October 3, 2011 and have been assigned the Control Numbers listed above.

On July 10, 2011, Washington Water Project (WWP) and American Forest Forrest Holdings LLC entered into an agreement to donate five water rights under Yakima County Superior Court Claim 02206. The terms of the agreement state that the lease begins when WWP submits an application to place the water right into the Trust Water Rights Program and Yakima County Superior Court issues an Order Pendente Lite (OPL) for Court Claim No. 02206, (A)03119, (A)05238. The OPL temporarily changing the water rights to instream flow was signed on August 11, 2011.

The term of the temporary trust water right is from May 1, 2011, to December 31, 2013 in the quantities set forth in the OPL, and listed in the table below:

Priority Date	CFS	Acres	AFY	Consumptive Use (CFS)	Consumptive Use (acre-feet)	Total Acre-Feet
1885	1.1	55	220	June - 0.29	June - 17.35	94.06
				July - 0.55	July - 33.77	
				Aug - 0.41	Aug - 24.89	
				Sept - 0.30	Sept - 18.03	
1889	0.52	26	104	June - 0.13	June - 7.79	42.22
				July - 0.25	July - 15.16	
				Aug - 0.18	Aug - 11.17	
				Sept - 0.14	Sept - 8.09	
1891	0.24	12	43	June - 0.06	June - 3.6	19.49
				July - 0.11	July - 7.00	
				Aug - 0.08	Aug - 5.16	
				Sept - 0.06	Sept - 3.74	
1893	0.44	22	88	June - 0.11	June - 6.59	35.73
				July - 0.21	July - 12.83	
				Aug - 0.15	Aug - 9.45	
				Sept - 0.12	Sept - 6.85	
1889	0.60	30	120	June - 0.15	June - 9.00	48.72
				July - 0.29	July - 17.50	
				Aug - 0.21	Aug - 12.89	
				Sept - 0.16	Sept - 9.34	

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David Bowen
American Forest Holdings LLC
November 9, 2011
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If you have questions or concerns, please call the Central Region's Trust Water Coordinator, Scott Turner, at (509) 457-7106.

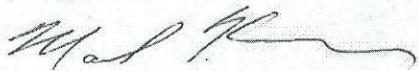
This Decision may be appealed pursuant to RCW 34.05.514(3), RCW 90.03.210(2), and Pretrial Order No. 12 entered in *State of Washington, Department of Ecology v. James Acquavella, et al.*, Yakima County Superior Court No. 77-2-01484-5 (the general adjudication of surface water rights in the Yakima River Basin). The person to whom this Decision is issued, if he or she wishes to file an appeal, must file the notice of appeal with the Yakima County Superior Court **within thirty (30) days of receipt of this Decision**. Appeals must be filed with the Superior Court Clerk's Office, Yakima County Superior Court, 128 North 2nd Street, Yakima WA 98901, RE: Yakima River Adjudication. Appeals must be served in accordance with Pretrial Order No. 12, Section III ("Appeals Procedures"). The content of the notice of appeal must conform to RCW 34.05.546. Specifically, the notice of appeal must include:

- The name and mailing address of the appellant;
- Name and address of the appellant's attorney, if any;
- The name and address of the Department of Ecology (Ecology);
- The specific application number of the decision being appealed;
- A copy of the decision;
- A brief explanation of Ecology's decision;
- Identification of persons who were parties in any adjudicative proceedings that led to Ecology's decision;
- Facts that demonstrate the appellant is entitled to obtain judicial review;
- The appellant's reasons for believing that relief should be granted; and
- A request for relief, specifying the type and extent of relief requested.

The "parties of record" who must be served with copies of the notice of appeal under RCW 34.05.542(3) are limited to the applicant of the decision subject to appeal, Ecology and the Office of the Attorney General.

All others receiving notice of this Decision, who wish to file an appeal, must file the appeal with the Yakima County Superior Court within **thirty (30) days of the date the Order was mailed**. The appeal must be filed in the same manner as described above.

Sincerely,



Mark Kemner
Section Manager
Water Resources Program

MK:ST:ss/111105

Certified Mail: 7009 2250 0004 4952 1385

cc: Philip Rigdon, Director Natural Resources Division Yakama Nation
Lisa Pelly, Washington Water Project of Trout Unlimited
David Burdick, Department of Ecology, Headquarters (email/pdf)

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KIRK LAYTON
EX OFFICIO CLERK
SUPERIOR COURT
YAKIMA, WASHINGTON

SUPERIOR COURT OF WASHINGTON FOR YAKIMA COUNTY

IN THE MATTER OF THE DETERMINATION
OF THE RIGHTS TO THE USE OF THE
SURFACE WATERS OF THE YAKIMA
RIVER DRAINAGE BASIN, IN
ACCORDANCE WITH THE PROVISIONS OF
CHAPTER 90.03, REVISED CODE OF
WASHINGTON

STATE OF WASHINGTON DEPARTMENT OF
ECOLOGY,

Plaintiff,

v.

JAMES J. ACQUAVELLA, et al.

Defendants.

No. 77-2-01484-5

~~[PROPOSED]~~ ORDER PENDENTE
LITE RE: DONATION OF AFH
WATER RIGHTS FOR INSTREAM
FLOW RE: COURT CLAIM NOS.
02206, (A)03119, (A)05238

SUBBASIN NO. 3 (TEANAWAY)

This matter having come before the Court on the petitioner Washington Water Project of Trout Unlimited's ("TU") Petition for Order Pendente Lite Re: Donation of AFH Water Rights for Instream Flow Re: Court Claim Nos. 02206, (A)03119, and (A)05238, the Court having heard from all interested parties and being fully advised;

NOW, THEREFORE, IT IS ORDERED, ADJUDGED, AND DECREED for the 2011 through 2013 irrigation season, or for the pendency of the adjudication should it be completed prior to September 15, 2013, or until further order of the Court, as follows:

1. The Court recognizes the water rights belonging to AFH to have the same quantities, priorities, and season of use as confirmed for Claim Nos. 02206, (A)03119, and

[PROPOSED] ORDER PENDENTE LITE RE:
LEASE OF AFH WATER RIGHT FOR INSTREAM
FLOW RE: COURT CLAIM NOS. 02206, (A)03119,
(A)05238
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(A)05238 in the Conditional Final Order for Subbasin No. 3 (Teanaway River) issued February 8, 2001, as modified by water right change CS4-02206CTCL@1, but this recognition does not estop Ecology from making a tentative determination of extent and validity pursuant to RCW 90.03.380 concerning the transfer of these rights.

2. The AFH water rights that are donated to TU and authorized for transfer to instream flow for the 2011-2013 irrigation season (May 1 - September 15) are summarized below:

WATER RIGHT NO. 2

NAME	LOCATION & COURT CLAIM NO.	CFS	ACRES	AFY	PRIORITY	CONSUMPTIVE USE (CFS)	CONSUMPTIVE USE (AF)
AFH	Teanaway River Claim No. 02206, (A)03119, (A)05238	1.1	55	220	6/30/1885	June-0.29 July- 0.55 Aug- 0.41 Sept-0.30	June-17.35 July- 33.77 Aug- 24.89 Sept-18.03 TOTAL- 94.06 af-cu

WATER RIGHT NO. 3

NAME	LOCATION & COURT CLAIM NO.	CFS	ACRES	AFY	PRIORITY	CONSUMPTIVE USE (CFS)	CONSUMPTIVE USE (AF)
AFH	Teanaway River Claim No. 02206, (A)03119, (A)05238 CS4-00206 CTCL@1	0.52	26	104	6/30/1889	June-0.13 July- 0.25 Aug- 0.18 Sept-0.14	June- 7.79 July- 15.16 Aug- 11.17 Sept- 8.09 TOTAL- 42.22 af-cu